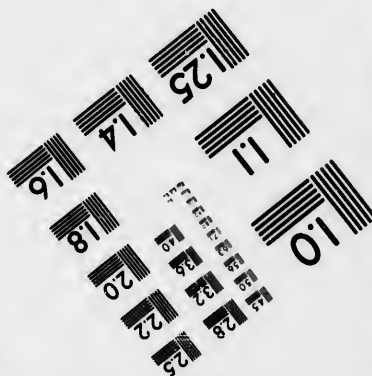
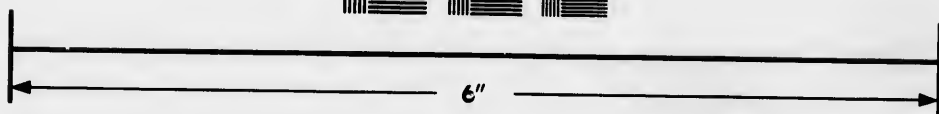
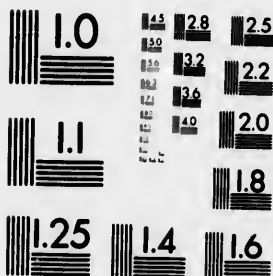


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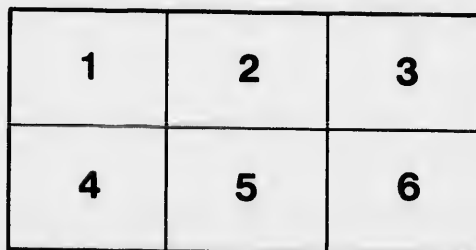
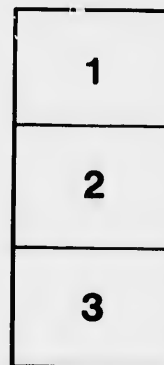
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# THE TARIFF.

SPEECH DELIVERED IN THE HOUSE OF COMMONS,

April 9th, 1870,

BY

MR. J. B. PLUMB, M. P.

(From the Official Report of the Debates.)

MR. PLUMB said this debate had now taken a new aspect. To that aspect he proposed to address himself, in the remarks which he would have the honour to make to-night. After a long and extensive discussion on both sides of the House, the leader of the Opposition, representing the opinion, not only of the hon. gentlemen who followed him in this House, but of the great party of which he was the leader, of whose principles he was the exponent, had introduced a resolution which, without doubt, embodied fully, though concisely, the principles of the Opposition upon this floor, and the principles of the great party which that Opposition represented, for, although beaten at the polls, although represented here by a very small minority, they could not but accord to that great party a power in the country which it were useless to ignore, which it were rash in any way to reflect upon, and which must always be treated in any discussion in this House, or elsewhere, as a power in the Dominion of Canada. The resolution introduced by the hon. the leader of the Opposition was a resolution which, as

he had said before, embodied briefly what might be considered the gist of the argument against the policy of the Government. He (Mr. Plumb) would read it, as the commencement of his remarks. It read as follows:—

"That, while this House is prepared to make ample provision for the requirements of the public service, and the maintenance of the public credit, it regards the scheme now under consideration as calculated to distribute unequally, and, therefore, unjustly, the burdens of taxation; to divert capital from its natural and most profitable employment; to benefit special classes at the expense of the whole community; tends towards rendering futile the costly and persistent efforts of the country to secure a share of the immense and growing carrying trade of this continent; and to create an antagonism between the commercial policy of the Empire and that of Canada that might lead to consequences deeply to be deplored."

He might say that he would not want any better text upon which to speak, on this occasion, than that short, comprehensive resolution. He had said to his hon. friend who had brought in the tariff resolutions that the speech with which that resolution was accompanied was the very best commentary upon the propositions which he had submitted to the

House, and the very best evidence that those propositions were acceptable to the country. But, before commencing to address himself specially to that resolution, he hoped he might be permitted to review briefly, as briefly as the case would admit, the circumstances in which we were placed by the condition of the country, which had conducted very largely to the adoption of the policy now brought forward by his hon. friend the Finance Minister. He (Mr. Plumb) became a member of Parliament at the time of the great political revolution which removed from this body a large number of the gentlemen who had before led its legislation in this House. He came here a stranger to the usages of the House, comparatively a stranger to the grave questions then under discussion; and almost the first important debate in the House, in that Session, was upon the fiscal condition of the country, opened by the Budget speech of the gentleman who succeeded his hon. friend the present Finance Minister, and had been succeeded by him. Those of them who then, for the first time, were brought face to face here with the arrogant representatives of the triumphant party, which had swept the country as by a deluge from Prince Edward Island to Manitoba, were somewhat astounded at the propositions and arguments of the hon. gentleman who then held the purse-strings. They had supposed, in their ignorance and innocence, perhaps, that the country had been, for many years, under Conservative rule, in a state of great prosperity; that the gentlemen who formed the Confederation of the Provinces, who had laid broad and deep its foundations, who had made it one of the powers of the earth, and one of the principal appanages of the great Crown upon which we were proud to be dependent, had done something towards advancing the interests of the country; but they learned, from the hon. member for Centre Huron, that they had been recreant to all the best interests of Canada, had squandered her resources, had made reckless bargains with the different Provinces in order to sustain their waning popularity, that they had heaped burdens upon Canada which she never could sustain; they were told all this by one who was lauded by the party then in power as

a great financial authority, and who spoke as the mouthpiece of that party. They were told constantly at every great meeting held for the purpose of influencing electors, as well as upon the floor of this House, that their friends, when in power, increased the public expenditure from \$13,500,000 in 1867, to \$23,316,316 in 1873-74. They were told that this was something so reprehensible, that those who were responsible for it should be for ever thereafter shut out from the management of public affairs; that they deserved to be ostracised because they had met the necessities of the growing Dominion with a statesmanlike and generous liberality. Increasing in population, wealth, and commerce with unparalleled rapidity, demanding outlays for perfecting the machinery of the new Confederation, for legislation, for the militia, for the collection of revenue, for the protection of the shipping trade, for the opening and peaceful occupation of the North-West, for public buildings adapted to the needs and the dignity of the Dominion, for the administration of justice, with ample and constantly augmenting revenues to meet such demands, the Conservative leaders would have been recreant to the trust confided to them, if they had adopted a niggardly or short-sighted method in dealing with the public expenditure. No one who sat on the Opposition benches in those days—and many of those gentlemen were here now before him in the same position—had opposed that policy to which he had just referred. The general principle upon which the expenditure was based was fully conceded on all sides; but little discussion arose upon the Budget during successive years from 1867 until 1873. Sir John Rose, during his financial Administration, finding the expenditure growing more rapidly than the revenue seemed to warrant, set a memorable example to those who came after him by cutting down his Estimates to meet the necessity. His able successors in the administration of the finances, prior to 1874, found no such need. They might be well assured that they would have met it had it occurred in a way to preserve the public credit from the damaging effect of yearly increasing deficits. The Opposition of the day contented themselves with a few unimportant criticisms

of the Estimates, and, in almost in every instance, heartily congratulated the Finance Minister upon his statements. The estimated receipts were in every instance, from 1868 to 1874, inclusive, exceeded by the actual revenue. There was ample justification for the expenditure, and he (Mr. Plumb) would venture to say that, from all he had seen of the course of the late Finance Minister and his colleagues, if they had had surplus revenues to deal with, instead of deficits, their financial record would have been very different from that of their predecessors. He (Mr. Plumb) would now justify his defence of the Government of 1867-1873, by referring to the increase of expenditure, item by item, in order that the House might see how far the late Finance Minister and his colleagues, and backers, and the public press that sustained them, were justified in their virulent criticism. Under the heading of ordinary expenditure, the increases, comparing 1867-68 with 1873-74, were as follows:—

	1867-68	1873-74	Increase.
	\$	\$	\$
Civil Government..	594,441	883,655	289,214
Administration of			
Justice....	291,242	459,037	167,795
Police .....	49,176	56,387	7,211
Penitentiaries....	209,369	395,551	186,192
Legislation .....	595,810	784,048	188,238
Geological Survey..	97,814	28,600	69,214
Arts, Agriculture,			
and Statistics....	5,850	19,091	13,241
Immigration and			
Quarantine.....	60,396	318,572	258,176
Marine Hospitals..	21,048	66,462	45,414
Pensions .....	56,421	56,453	32
Public Works.....	126,269	1,826,001	1,699,732
Ocean and River			
Steam Service....	296,511	407,760	110,189
Light House and			
Coast Service....	174,982	537,057	362,075
Fisheries .....	30,572	76,247	45,675
Miscellaneous Items	93,451	102,160	8,709

\$3,451,107

These were all the items of accounts opened in 1867-68, under the heading of "Ordinary Expenditure," on which there was an increased outlay up to 1873-74. Upon the item of steamboat inspection there was a decrease of \$115, and upon that of Militia and Defence of \$35,639. These, deducted from \$3,451,107, left the increase \$3,415,468. The following items, also under the heading of "Ordinary Expenditure," represented outlays in accounts not open until after 1867-68:—

Census .....	\$ 39,470
Superannuation .....	64,442
Indian Grants .....	146,068
Lominion Lands .....	283,163
Dominion Forces, Manitoba .....	209,169
Mounted Police .....	199,599
North-West Territory Organization .....	12,263
Boundary Surveys .....	81,723
Military Stores .....	144,906
Customs Refunds .....	69,330
<b>Total .....</b>	<b>\$1,250,132</b>

#### CHARGES ON REVENUE.

	1867-68	1873-74	Increase.
Customs .....	\$457,503	\$658,299	\$200,796
Excise .....	78,939	206,035	127,996
Culling Timber..	69,430	82,286	12,856
Post-Office .....	616,802	1,387,270	770,468
Public Works....	626,286	2,389,679	1,763,393
<b>Increase .....</b>			<b>\$2,675,509</b>

There was a decrease in the item of Minor Revenues from \$16,841 to \$11,371 .....

5,470

**Total increase .....** **\$2,870,039**

#### DEBT AND SUBSIDIES.

Interest on Public Debt....	\$4,501,568	\$5,724,436	\$1,222,868
Sinking Fund....	355,260	513,920	158,564
Subsidies to Provinces .....	2,753,966	3,752,757	998,791

**Increase .....** **2,380,313**

There was a decrease in the item of Charges of Management from \$285,512 to \$238,003, or \$47,519. And in premium, discount and exchange from \$73,676 to \$26,680, or .. 46,996

94,515

**Total increase .....** **\$2,285,798**

These aggregated, summed up as follows: Increase in ordinary expenditure, in accounts open in 1867-68, \$3,414,353. In accounts not opened until after that date, \$1,250,132. In charges on Revenue, \$2,870,039. Interest on Public Debt (less decrease on Charges of Management and premium, discount, and exchange), \$1,128,365. In Sinking Fund, \$158,654. In Subsidies, \$998,791. All these formed a sum total of increases from 1867-68 to 1873-74, when the hon. member for Lambton and his friends took the management of affairs, of \$9,820,322. The supporters of the Government claimed, however, that in the increased expenditure of 1873-44, there were items amounting to nearly one



million dollars, which had been often pointed out, that were improperly added by the late Finance Minister to the accounts of that year, and properly belonged to the succeeding year. This contention, he thought, his hon. friend before him (Mr. Tilley) was prepared to justify. They had insisted upon it in his defence while he was absent from the House, and while he held a position which prevented him from entering into the discussion and vindicating, as he had now vindicated, his position. It might be safely asserted, that in round numbers, at least \$950,000, improperly added by his successors to the expenditure of 1873-74, should be deducted from the total increase before stated, bringing it down to \$8,870,322, from the total expenditure of 1873-74, reducing it to \$22,466,316, and added to the expenditure of 1874-75, making the total of that fiscal year, the first clear year of Reform rule, \$24,663,071. The correctness of this statement was virtually proved by comparing the figures with those of the second fiscal year of the rule of their economical friends, the loud-mouthed advocates of retrenchment. That year, 1875-76, presented the startling aggregate of \$24,488,372, and that of the two succeeding years, which completed their record, was only kept down by a device which could not redound to their credit. While other items of administrative expenditure were increasing in a startling ratio, although the revenue was constantly shrinking, by the expenditure of 1876-77, when the great depression was fairly upon us, paralysing trade and carrying disaster into every branch of industry, the reckless policy of the late Government entailed upon the country an outlay, chargeable upon revenue, of \$23,519,301, which was only kept down to those frightful figures by striking out \$428,079 from the Militia items, and \$682,128 from that of Public Works chargeable to revenue. As compared with the outlay in those Departments the year previous, a reduction of \$1,110,207 was thus obtained, but for which the total for 1876-77 would have been \$24,629,508. The same plan was adopted in 1877-78. The Militia item was \$360,404 less, and the Public Works item \$950,347 less than in 1875-76. The total expenditure

of the year, notwithstanding these abnormal reductions, was \$23,503,158, and, but for them, would have reached \$24,813,909. There could be no merit in bringing about a reduction by the contrivances now exposed. If Public Works, chargeable to revenue, had been completed, as they had been led to believe they would be, the expenditure, of course, would cease. As to the Militia, they knew who presided over that Department, and his antecedents would lead them to believe that he would not resist any reduction of our power to defend the flag. In every case, it would be found that the expenditure of the Liberal-Conservative Government, upon which such fierce denunciations had been poured out by hon. gentlemen opposite, especially by the late Premier and the late Finance Minister, had been exceeded under their Administration. It would be an easy task to justify, item by item, every figure for which his hon. friend (Mr. Tilley) and his old colleagues and predecessors were in any way responsible. In the spring Session of 1873, the late Finance Minister, who had been virulently opposed by the *Globe* and its party at his election, in August, 1872, made his prophetic speech which he had often quoted, but of which, unfortunately, no extended record remained in the public archives. He claimed, however, on the strength of that vaticination, credit for foreseeing the commercial crisis which was impending, and which burst upon the country like a tornado, in the autumn of 1873. It had already spread panic and dismay over the United States, when the hon. gentleman and his colleagues took the seals of office, and it had extended to Great Britain and the Continent before the hon. gentlemen met Parliament, at the end of March, 1874. He (Mr. Plumb), in common with many others who heard the Budget speech of 1874, was not aware of the mental peculiarities of the hon. gentleman who uttered it—they did not know the depth of the immedicable wound which had been inflicted upon his ambition, and his self-love, nor the bitterness and persistency of his hatred. His speech was violent beyond any precedent, and it might have been considered unfair, and, perhaps, not over courageous or chivalrous, to attack



a man who could not stand up here and defend himself and his policy, as he had shown himself fully able to do, since the country has welcomed him back to these halls. Every utterance of the late Finance Minister betrayed the anguish of his wound, and the rage into which it threw him. They were charged with a venom, however, which fortunately had only had the effect of politically destroying himself. Upon that memorable occasion, the Finance Minister bitterly attacked the former Government for the terms it had given to Prince Edward Island, and no one of the representatives of that Island, all of whom, for reasons which he should not characterise, had crossed over to the support of the then incoming Administration, ventured to rebuke him for his covert insinuations as to sharp bargains. But his voice rose into a scream of denunciation when he said that his predecessors had done quickly what they had to do, namely, to wreck the public credit, and that they had left upon him "A sum total of what I call liabilities capable of being ascertained, amounting to one hundred and thirty-one millions three hundred thousand dollars in addition to our debt. Now the House will see the magnitude of the task imposed on us, by observing that this sum is, as nearly as possible, equal to the total indebtedness of the Dominion." In various picnic speeches during the past two or three years, this statement had been made with even more directness and force of assertion. Now, this, if it meant anything, meant that one hundred and thirty-one millions of dollars of liabilities, either immediate or prospective, in addition to the existing debt of a like amount, had been imposed upon the Dominion by reckless and improvident legislation prior to 1874. This was a truly alarming statement; one well calculated to startle the people of Canada, and to shake its credit with the capitalists of the world. Let them examine it, and endeavour, by it, to test the accuracy and fairness of the hon. gentleman's arguments. At the Aymer picnic in 1877, they were told, according to the *Globe* report of the late Finance Minister's speech:

"That he must prepare to borrow within three, six or seven years, not less than

\$120,000,000 of money; that was the extent of the engagements and commitments which the late Government had left us as their dying legacy. It is hard to realise what this means. For us, \$120,000,000 is a tremendous sum. It equals our net existing national debt. It is more for us than 2,000 millions for the United States, or 2,500 millions for Great Britain."

Fancy the wonder of the crowd at hearing these sums glibly stated, honest Grits fumbling in their pockets, instinctively, under the idea that a hat would be passed round at the close of the performance, and that they would be called upon to contribute their share of the trifling amount in order to recoup the Treasury, which had been depleted by the rascally extravagance of the Tories. The Budget speech of 1878, told them:

"We had other liabilities definitely fixed—mark, definitely fixed, amounting to 131 millions, namely:

For Canals.....	\$ 43,800,000
Intercolonial Railway.....	10,000,000
Pacific Railway.....	30,000,000
Debts Maturing.....	35,000,000
Intercolonial Railway repairs in New Brunswick & Nova Scotia	2,000,000
P. E. I. Railway and Land Grants	2,500,000
Minor Works.....	4,500,000
St. Lawrence Improvements below Montreal.....	2,500,000
Certain advances then contemplated.....	1,000,000
Total.....	\$131,300,000"

The nature of this shocking bug-bear, which, exhibited by so responsible an authority as the Finance Minister of Canada, was well calculated to cause a capitalist in England to button his pockets, might be inferred. The fairness of these statements might be inferred from the actual fact that, out of the amount of \$131,300,000, \$30,000,000 was the sum intended as a subsidy to the Pacific Railway, under a charter which had been abandoned, and an Act which had been instantly repealed by the hon. gentleman and his majority. \$35,000,000 were for removal of debt, which was considerably increased, nominally, by negotiating a four per cent. loan at a discount. But who ever heard before that such renewals could be fairly counted, or counted at all, among items which were to double the amount of the existing debt of which they formed a part? Such, however, was the inference that was adroitly suggested. When it suited the Finance Minister to

do so, as on a recent occasion, he made light of the task of borrowing money in England for renewal of debt, even in the face of difficulties brought about by his own *laches*, and at a crisis of unparalleled severity in the money market of Lombard street. They must strike off the \$35,000,000 under this head. Thus they relieved him very easily of one half of his load. \$30,000,000 for the Pacific Railway and \$35,000,000 for renewal—\$65,000,000 in all. They had not cost him many sleepless nights. Then there were in his list, \$43,800,000 for the enlargement and construction of Canals, and among these the Baie Verte figured for \$8,500,000. The other items were nearly as illusory and misleading. The whole presentation was more than unfair. Except the repeal of the Pacific Railway Act, no legislation that he (Mr. Plumb) could remember had relieved the country of any liability; and the fidelity of the atrabilious statements of the late Finance Minister might be tested by ascertaining what amounts he stated in his last Budget speech would be required to complete the works in hand except the Pacific Railway, for all the expenditure on which, except \$1,391,618, incurred prior to 1874, the late Government must be held wholly and rigidly responsible. These amounts, estimated as of the 1st. July, 1878, were: For completion of Welland and Lachine Canals, \$5,500,000; Miscellaneous Works, \$5,000,000, or ten millions and a half altogether; and it might be said, in passing, that with much of this sum the late Government should also be charged. The net increase of debt from July 1st, 1873, to July 1st, 1878, was \$40,513,607. From this amount must be deducted discount on renewals, \$3,901,444, and amount expended on Pacific Railway, \$8,812,233, leaving the increase for all expenditure on capital account for every other purpose, \$27,799,930. Add to this the ten millions and a half still required for the completion of the canals, and the frightful \$131,300,000 shrank to \$38,300,000—a decrease of a mere trifle of ninety-three millions, or 71 per cent., which might gauge, with tolerable accuracy, the allowance that must be made for the Finance Minister's calculations. But it was by no means to be admitted that the hon. gentleman's

predecessors were responsible for the \$38,300,000. He (Mr. Plumb) ventured to assert that his hon. friend from St. John (Mr. Tilley) and his colleagues would have curtailed expenditure in every possible way, having proper regard to the public interest, if they had continued in power. Their Estimates were based upon a condition of things which was totally changed when Parliament met in 1874. The late Government, with a vast majority at its back, had full power to reverse the policy of its predecessors. Whatever, in their judgment, had been improperly or unwisely done, should have been promptly undone. It was their duty to apply the knife and to cut down outlay whenever the knife was needed. They had command of the ship. It was their duty, when they saw a financial storm lowering in the horizon, to shorten sail and economise. Could it be supposed for a moment that his hon. friend who sat in front of him (Mr. Tilley) would not have had sufficient intelligence, honesty, and courage to meet the exigencies of the time, if he found there was a decreasing revenue? The late Finance Minister and his friends made the enormously exaggerated statement which he (Mr. Plumb) had dissected, in order to bewilder the public, in order to show that his own enormous expenditure was no falsification of the promises his colleagues had made when in Opposition. They sought to cover up their tracks. The most efficient way to do that was for the Finance Minister to largely overestimate the burdens thrown upon him. And how had the inherited obligations been discharged, and how had the new ones undertaken been fulfilled, on July 1st, 1878? The Pacific Railway construction had swallowed up \$8,812,833, and there were enormous sums since paid, and yet due. They had a glimpse, and as yet a glimpse only, of the reckless haste, and waste, and jobbery which had characterised that work. Not a section of the line from Fort William to Red River could be brought into use for at least three years, because the connecting link between English River and Keewatin had been left untouched, and a large annual charge of interest would be totally lost, until the road could be made available for traffic. In regard to the Wel-

land Canal, \$7,846,145 had been expended up to July 1st, 1878, on the enlargement, at each end, which is nearly completed; the middle section and the aqueduct over the River Welland were only put under contract a few months ago, and could not be completed in less than three years. Until then, the new work was utterly useless, and was falling frightfully out of repair, and an interest account was heavily accumulating on the outlay. In such a state of things, it would be natural that they should feel great alarm for the public credit, strained, as it had been, to the utmost by the prodigality and incapacity of those to whom it was entrusted. He (Mr. Plumb) and his friends had been accused, time after time, of having taken a gloomy view of the position of Canada in their public utterances, but if ever any gentleman on the present Government side had taken so gloomy a view as that taken by the late Finance Minister in his Budget speech of 1874, and in many subsequent speeches, he (Mr. Plumb) could only say he had never heard of it. It was notorious that the Finance Minister, on that occasion, struck a heavy blow at the credit of Canada. But Canada, he trusted, would survive that, as she had already survived five years of the misrule of the gentlemen now in Opposition. In 1873, as he Mr. Plumb had before remarked, about the time that the so-called Reform party came into power, it happened that there was a great revulsion throughout the commercial world; it happened that the constantly increasing revenues of Canada began to diminish; it happened that, in September, 1873, the crash which had been so long foreseen in the United States, and which the late Finance Minister especially claimed to have foreseen, fell upon that country. Canada did not feel it at first; but it was the duty of the men who were at the helm, to look out for the storm, alter the course of the ship, if necessary, take in sail, and prepare for the worst. Up to that time they had been going on with constantly increasing revenues, but his hon. friend (Mr. Tilley) had indicated to the House in the first Session of 1873 that he intended to deal with the fiscal policy of the country, in the direction of an increase in the taxation. He had

predicted that, owing to the legislation of 1873, there would be a necessity for a further increase of revenue, and he indicated clearly that he would deal with the necessities of the case in the direction of Protection, he would so gauge his revenue tariff as to foster the various industries of the country. It must be borne in mind that up to that time there had been no necessity for any Protective tariff in this country; that the condition of things with our neighbours was such that they could sell Canada nothing, whilst we could sell them, at fair prices, everything we produced. The 15 per cent. tariff, then in force, was all that was then required for the protection of our industries. There had been a constant increase of revenue, and a constant surplus—a surplus acknowledged by the late Finance Minister to have been expended upon the public works of the country, and in the redemption of debt, not including the sinking fund payments of £700,000 sterling—of no less than \$11,849,000. This statement was emblazoned on the silver side of that double-faced shield, of which the people of Ontario saw the brass, when the late Finance Minister appeared at their Reform picnics. He (Mr. Plumb) repeated that Canada did not require an increased tariff up to 1874, the industries of this country were protected by the condition of things in the United States, which created inflation prices there. As far as England was concerned, he was well aware, and every gentleman in this House, who was candid enough, would admit, that there was never any disposition on the part of Conservatives to discriminate against the Mother Country, to which they all owned the truest allegiance. Therefore, up to 1873 or 1874, whenever it was found necessary to deal with questions of revenue, it was not necessary to do so with Protective views, because the industries of the Dominion were not affected by competition on the other side of the border. A sudden change took place—so sudden, that very few in this country were prepared to acknowledge its far-reaching consequences. During the first year of its progress elsewhere, it was scarcely felt here, but in the second year it was felt in the increased imports to Canada, from the

United States, in the decreased exports from Canada to that country, until the balance of trade against us reached the alarming sum of twenty-five million dollars. That was the balance of trade against Canada in 1877, and it was almost the same sum in 1878. The hon. gentlemen opposite seemed powerless to deal with this question. They would probably begin by laying down the proposition that a balance of trade is not a balance of trade, for that was the convenient way in which they always cleared away the difficulty. The late Minister of the Interior had advanced views on that subject which, if held and acted upon by an individual, would soon send him to the Insolvent Court, if that Court had not in the meantime been abolished. And it would almost appear, from the manner in which they quoted authorities in the United States, in order to justify their position, that they were rather in league with and supporting those financial authorities than attempting to assert themselves and their own position. He did not say that that was the case, or that that was always and absolutely the line taken by hon. gentlemen on the opposite side, although it was quite the fashion for them, in those days, to impute disloyalty to the members on the Ministerial side, to the men who had stood by the British flag from the time they were first able to take upon themselves the responsibilities of manhood. Well, because it was necessary for the late Government to deal with the question of the expenditure, there had been no increase by his (Mr. Plumb's) friends, or through their policy, which was not justifiable under the circumstances, and requisite to meet the legitimate wants of the country. It was usual for hon. gentlemen on the opposite side to assert that their extravagant expenditure was made necessary by the action of their predecessors. Why were those gentlemen put in power? To reverse the action of their predecessors, if it appeared to them to be unwise; they were not bound by the legislation of their predecessors. They were bound to take the other tack. They had denounced their predecessors on every platform from British Columbia to the shores of Prince Edward Island. Everywhere they had declared that they

had superseded a reckless and improvident Administration, but they excused themselves, when charged with extravagance, by saying that they had only spent a little more than had been spent by that reckless and improvident Administration. He could not remember a single instance in which they had fulfilled their promise to put a stop to the golden flow from the public Treasury, and bring about a state of things which should accord with the diminishing revenues and the declining business of the country. He ventured to say that if his hon. friend (Mr. Tilley) had been Finance Minister during the last five years—and he (Mr. Plumb) deeply regretted the political overthrow which left him unable to finish his financial policy—they would not have had to witness such a state of things as the present. What was it? Why, the ex-Finance Minister, in order to meet what he was pleased to call the burdens which were thrown on him by his predecessors, proposed to do so by adding to the tariff an increase of the taxes that would produce \$3,000,000. How did he proceed? After labouring from the 12th November, 1873, when the late Government came into power, until the 13th or 14th of April, 1874, that hon. gentleman brought in the tariff, with his Budget speech, the principal changes in which imposed 1½ per cent. additional duty on the 15 per cent. list, from which he said he expected to receive \$3,000,000. In some other directions, also, he attempted to deal with the great financial interests of the country. But he so befogged and bemuddled the whole question, that he brought down upon himself the indignation of the whole business community. He had disturbed every industry of the country. He was forced to recede, and content himself with simply adding 2½ per cent. to the 15 per cent. list, making what our neighbours of the United States called a mechanical or horizontal instead of a scientific tariff; and now the hon. gentleman said that the 17½ per cent. was a sacred thing, and that if any rash man touched it, he would sever the golden chain of our connection with Britain forever. He (Mr. Plumb) would like to know why those cabalistic figures were so sacred, or so much better than any other number. The number nine

had peculiar properties in multiplication, addition and division, and many persons explained prophecy by the elastic use of the number seven, but he was not aware that even Zadkiel, who was quite as good a soothsayer as the late Finance Minister, had ever adopted seventeen-and-a-half as a term to conjure with. He could not discover that there was anything in the old tariff that could not be altered or meddled with without meeting the denunciations of hon. gentlemen opposite; but yet they seemed to think that there must be something almost holy in the  $2\frac{1}{2}$  per cent. evolved by the ex-Finance Minister out of the depths of his own rather confused—consciousness, should it be called? The previous figures, however,  $1\frac{1}{2}$  per cent., he had desired to adopt for no apparent reason but that it made the calculation of duties easy. What did the tariff of the hon. member for Centre Huron (Mr. Cartwright) effect? In the fond belief that it would produce \$3,000,000, he said that he could not be expected to reduce the expenditures of his friend the then Minister of Public Works. There were too many contractors in the purlieus of the capital waiting for their wages. The financial storm was then raging, but there was no retrenchment. He (Mr. Plumb) remembered perfectly well the language of the member for Centre Huron in 1874, when, turning to the First Minister (Mr. Mackenzie), he said that they must go on with the expenditure for the works which were under his charge. From whom did the House and the country expect economy? From whom had they a right to expect it? From a life-long Reformer; from a man whose instincts were supposed to be in the direction of close management of the expenditure in the Department over which he presided especially, who was supposed to possess a peculiar fitness, from personal training and experience, for that Department? The late Government could not cut down the Estimates, because there were certain powers behind the Grit throne greater than the Grit throne itself, that had to be placated after the elections. He (Mr. Plumb) believed that he should be borne out in that assertion. The tariff proved a failure, and a deficit arose the next

year, as well as each of the two following years, with which the Government of the day confessed themselves utterly powerless to deal. They acknowledged that they were utterly powerless to propose a policy suitable for meeting the crying needs of the hour. They declared that a Government had no power to deal with questions affecting the vital interests of the country. They, on the Conservative side, however, held the contrary. They always had said that if they should be entrusted with the solution of those questions, they would not sit with their hands folded, but would try, at least, to do something for the country, and he thought that the people had taken the late Government at their word, and the Conservatives at their word; and it was not far to seek, or difficult to know, why the great revolution had occurred, which placed hon. gentlemen opposite in even a smaller minority than the Conservatives appeared in 1874. Deficits, to the amount of nearly seven millions of dollars, had accrued since hon. gentlemen opposite assumed charge of public affairs. His hon. friend the present Finance Minister, on returning to power, had to deal with that grave condition of the finances, and, after this cursory review of events, leading up to the present situation, it was somewhat refreshing to refer back to the patriotic resolutions put upon the table of the House by the present able Finance Minister, and to compare their breadth and fullness with the lifeless and meagre amendment with which the leader of the Opposition proposed to supersede them. He declared, "That, while we are willing to do anything to sustain the public credit, to meet the necessities of the hour, we cannot consent to any legislation which shall disturb the present condition of the country," as if that condition was so very satisfactory that it ought not to be disturbed. He held that they ought to disturb it—that they were here exactly for that purpose, and he, for one, would lift up his voice in every way which might be calculated to disturb it. Whatever the leader of the Opposition might think of the necessity of his amendment, he (Mr. Plumb) differed with him, *toto cælo*, in the proposition he had made. What the hon. gentleman proposed, he had had ample opportunity to carry out

during the last three years. He had failed to submit any proposition to that effect, or make any move in the direction in which he said he was bound to go, in the event of a deficit occurring. He (Mr. Mackenzie) had said, on the floor of the House, that a decrease of revenue should be met by reduced expenditure. But Sir John Rose had said the same thing, and acted accordingly, and it had been laid down as an axiom, by sound practical statesmen—not political prigs—that it would be suicidal, for a Government like that of Canada, to allow increasing deficits to accrue. It was all very well to talk, as the late Finance Minister talked at Fergus, in July, 1877, of deficits of 20 years ago, under the old Provincial system, and cite them in the stale *tu quoque* argument as a justification of the course of the late Government. Hon. gentlemen understood perfectly, that it was necessary, if they wished to maintain the credit of the country when there was, unfortunately, as sometimes there would be, a disturbance of the equilibrium between revenue and expenditure, so to increase the one, or decrease the other, as to maintain the public credit uninjured, and he charged hon. gentlemen on the opposite side with having neglected that which was one of the very first, one of the most fundamental principles of public economy and political science. Look at the amendment before the House, which affirmed that they “were prepared to make ample provision for the requirements of the public service and the maintenance of the public credit.” He had sat there for the last ten days, listening to the outpourings of hon. gentlemen opposite, and had failed to hear from them the slightest indication of any policy suited to the present exigencies of the country. He had heard them travelling over the record, arguing upon every possible subject—he had heard, from one bench to the other, the echoes of the same stale old stories, but he had never heard a single scintilla, or seen a glimpse of anything like a financial policy to substitute for the policy brought down by his hon. friend the Finance Minister. Until hon. gentlemen opposite could offer a proper substitute for it, he (Mr. Plumb) thought that they might fairly say they would stand by the scheme of his hon. friend. He would

like to have from the Opposition a kernel of common sense, instead of the worthless chaff which they had been winnowing out by the cartload, while fancying they were discussing the question in hand. He was astounded when the late First Minister, on bringing down his amendment, made the accompanying speech, introducing it. He (Mr. Plumb) saw nothing in it which was not probably within the legitimate right of the leader of an Opposition, although it fell very far short of what might have been expected from him. It exhibited only a policy of grumbling and fault-finding; but there was good reason why that party should grumble and find fault, for he thought they had received a chastigation which made them feel a little sore towards gentlemen on the Ministerial side. But they, on his side, did not intend to aggravate the discomforts of their position; they were willing to leave gentlemen in Opposition to accept for themselves a solution which they were intelligent enough to understand, or find out. Hon. gentlemen on the Ministerial side had to deal with the question of the credit of this country, which the ex-Finance Minister, he (Mr. Plumb) had almost said, had culpably neglected. His hon. friend, the present Finance Minister, came into office at a critical moment—when Parliament must be called together within a very few months—when the depression which had kept the country down had lasted nearly five years—when they were constantly accumulating deficits, and when he had to infuse life into the dead body of the public credit. He entered office when, for a large amount of the public debt falling due in England on the 1st January, 1879, arrangements had instantly to be made, and when, at the same time, it was necessary to inaugurate a fiscal policy, the details of which demanded all his time and attention. The late Finance Minister had neglected to provide for the renewal of the debt at the proper time. It demanded his personal attention in London, immediately upon the accession of the present Finance Minister to office. That hon. gentleman was compelled to go to England at a moment the most disastrous in the history of English commerce for the last 25 or 30 years; upon the failure of one of



the great banks, upon the shareholders of which a call of £2,250 had just been made for every £100 share. The unprecedented and utterly ruinous magnitude of the call would mark the extent of the disaster, a calamity that had been followed by the failure of another important bank, on the very day the Finance Minister had advertised for tenders. The hon. gentleman had been forced to take action at that time, by the neglect of the ex-Finance Minister. It had been constantly stated, after the late election, that there would be no redemption of the pledges of the Conservative party. The great organ of the Reform party in Ontario, which was inspired by him who was called by the hon. member for Lambton the Grand Old Reformer—who dictated the policy of the Reform party, and without whom the leaders on the opposite benches could have no following in Ontario, at least—of whom it could be said, in regard to the public men of that Province, who were almost his puppets: "A breath unmakes them, as a breath hath made"—it seemed good to that great party leader and dictator to assure the readers of his newspaper that the Conservatives had no intention of fulfilling their promises. The hon. member for Lambton, in fact, who was Mr. Brown's henchman, had stated that Sir John A. Macdonald would as soon establish a Republic as a Protective policy. The *Globe* and its echoes were filled daily after the election with editorial articles so childish and contradictory that it did not seem possible that they could affect the minds even of the most benighted and bigoted Grits. After the overthrow of the party, which was largely due to that gentleman's want of political instinct, and to the utter incapacity to understand the direction of public opinion exhibited by the late Finance Minister and his colleagues throughout their short ascendancy, the *Globe* threw upon the Conservative party the responsibility of the decline in the price of wheat, which had fallen in consequence of a close of the European war, and the unprecedented large harvest in the United States. The stentorian voice of the hon. member for South Brant (Mr. Paterson) echoed the same strain, in thundering forth a long row of figures in respect to the decline in

prices of bank stocks since the elections. He held the present Government responsible for the bear movements in Montreal, and the effect of the great bank failure in Scotland and Wales upon the minds of sensitive shareholders. They were quite as responsible for the fall, if any had occurred, in the prices of confectionery and cigars. The *Globe* also demanded an immediate exposition of the National Policy. It could not even wait until the funeral of its departing friends in Ottawa had taken place. A few extracts would illustrate the manner in which the great organ of the defeated party dealt with the question after the battle. On the 9th of October they read in the leading columns:

"Some one has said, 'Blessed are they who expect nothing, for they shall not be disappointed,' and, evidently, the friends of the National Policy, as well as its advocates are preparing and being prepared for receiving another illustration of this time-hallowed maxim. For it is not yet a year since Sir John assured the faithful that what might be adequate protection for one industry would not be sufficient for another, and that, consequently, it would be desirable for those engaged in each, to meet and consider what they might need, so that all wishes should be met by the rulers, who were to be, and who will speedily be, installed. It was intimated distinctly that those engaged in the different industries were the best able to say what Customs dues they needed, in order to be adequately protected, and what they said should certainly be done. . . . Now, there is a strong desire to hark back upon what was said and what was promised.

"What is there to wait for? Does not Sir John know what to do? . . . Why wait over Christmas? Why lose January? . . . There is some shuffling here—some design to postpone, indefinitely, this boon of Protection. We shall not, it seems, get the first instalment of the things we want, but we shall have the first instalment of a treacherous betrayal of our trust instead."

They were next told, on the 10th of October, the new Government having not yet formed:

"Conservatives are, with one accord, attempting to back down from their unpleasant position on the Protection question. Having secured a lease of power, they are already proposing to throw over everybody and everything they made use of in the contest. . . . That utterance [*Gazette's*], was probably a feeler, put out to break the news gently to the Canadian manufacturers, that they had been swindled into making themselves ridiculous, in order that Sir John might get his truly clean hands into the public chest again. . . .



We have long ago given up expecting consistency from any Conservative as to this National Policy. It is a disgraceful thing that the hard times still hang on, when Sir John Macdonald expressly promised that they should be banished as soon as the Conservatives gained a majority."

On the 21st October they found this precious *morceau* :

"It is too bad that the leaders should be squabbling while the people are starving, capital idle, manufactures perishing, and workmen on half time."

Again on the 28th :

"In many parts of Canada the crop is, thus far, not so good as was expected. The weather was against its being well harvested. In many cases it is damp and sprung. The price is low and falling. In the face of such things, is this a time to palter and delay?"

On the 1st November, they read :

"Our farmers, with a falling market, and no prospect of immediate revival, have time to meditate over the vanity of human wishes, and the unsubstantial character of National Policy promises."

They were further assured that the right hon. leader of the Government and his friends were trying to get rid of the National Policy :

"We must congratulate our Tory friends upon the multitude and ingenuity of their attempts to drop off the Protectionist platform, without exciting an unpleasant amount of attention from their dupes."

"The Finance Minister, when he attempts to frame his new tariff, will have a lively time of it."

"There are delays in forming a National Policy Government; there is an evident desire to delay the advent of the National Policy itself; excuses are being offered; time is demanded; there is a shuffling attempt to induce others than the half-fledged Administration to assume a share in the responsibility of incubating the National Policy. We can see no reason for delay; no need for excuses, if all is fair and honest; no justification for, but much to reprehend in, shuffling."

The Finance Minister was, at this time, endeavouring to repair his predecessor's shuffling, as to which there was no justification, but much to reprehend. It would be instructive to follow the *Globe* through brake and through brier, on its will-o'-the-wisp wanderings since the election. At one moment it assured them that we were to consume all we produced, and produce all we consumed; at another, we were to erect the Chinese wall along our borders; at

another, we were to make no change whatever. Its veracious correspondent in Ottawa, who had attained a first magnitude in the practice which made Mendez Pinto proverbial, reported that a general scale of thirty-five per cent. and upwards had been agreed upon between Mr. Tilley and those cormorant manufacturers who had made such bloated fortunes during the past five years. A few days afterwards, in the leading article of the paper, the truth of this wildly absurd, and maliciously false report was gravely assumed, and an argument was based upon it, intended, as it seemed, to create discontent in England against a loyal dependency, and in the United States against peaceful neighbours, who claimed simply the right to attend to their own business. The whole chorus yelled to the same tune, and they demanded, almost the day after the election, that the National Policy should be brought down. They said it required no ingenuity, that it could be brought down by any clerk in public offices; and they demanded that his hon. friend, before he was sworn, and before he had time to assume the duties of his office, should bring down his Budget. They all cried out that the Government and their supporters were insincere. Well, he thought the fact of the opposition made to the resolutions of his hon. friend showed, at least, that he had fulfilled his side of the bargain. He might say that every criticism that he had heard from the other side, had only tended, in his judgment, to strengthen the public confidence in the resolutions of his hon. friend. This showed that they were willing to take the responsibility of a policy which gentlemen in Opposition said they never intended to undertake. There had been a great deal said about the promises made by his hon. friend the leader of the Government, and he should not notice some of the criticisms, were it not that the late First Minister had condescended, in his last address to the House upon this matter, to allude to the poor, the played-out, exploded canard circulated in New Brunswick before the election, that Sir John promised a 35 per cent. tariff. It was first stated that he said so at Parkhill, in North Middlesex,

when he rendered the signal service which resulted in the overthrow of the Reform ascendancy in that Riding and the election of Mr. Coughlin in the place of Mr. Scatcherd. If his hon. friend from Contre Huron were here, he would comfort him by telling him it was a majority of 800 on the one side, which was reversed by a considerable majority on the other, as an answer to his argument about the majorities by which gentlemen on the right had been returned to this House. Sir John never said anything of the kind at Parkhill. He (Mr. Plumb) was present and heard every word he said. Then he was charged with having said, at Strathroy, the same thing. He (Mr. Plumb) was present there, and no such statement was made. The real foundation of the rumour was a casual conversation at an informal meeting in London, where some eavesdropper heard and reported to that veracious paper, the *London Advertiser*, a statement of Sir John's, partly true and partly intentionally misrepresented. What Sir John said on that occasion was this:

"In noticing the argument advanced, that the United States would be offended if Canada raised her tariff, he pointed out that Mr. Fernando Wood's proposal to increase the United States tariff on certain articles to 35 per cent. as a maximum, was regretted on the ground that it was a Free-trade tariff, and he (Sir John) argued that Canada could not therefore offend the United States, even if the tariff here was raised to 35 per cent., because the Americans had pronounced that rate to belong to a Free-trade tariff."

That was exactly what he said, and nothing more; and he knew, and every hon. gentleman knew, that if any man holding the responsible position of Sir John Macdonald, understanding and valuing, as he did, the obligations that rested upon him as the leader of a great party and as the more than probable Premier who would hold office after the 17th of September, should indicate any particulars of the tariff, he would be doing an injustice to himself as a statesman, and betraying the trust of his party, and the interests of his country. But, said the *Globe*, "If Sir John did not suggest 35 per cent., what did he suggest?" That was the answer, and that was the whole case. Now, he (Mr. Plumb) wished to say that he thought, in every respect, the tariff which had been

brought down by his hon. friend had fulfilled the expectation of the country. He had not found anything in it which could, in the slightest degree, be considered as disloyal to the great country of which we were a part, and of which, he trusted, we were a part that could not be separated. He failed to see anything in it which, as was said by an hon. gentleman on the other side, could sever the golden link which bound us to the Mother Country. He failed to see anything in it except an attempt—it might be successful and might be unsuccessful—to check the constant encroachments from the opposite side of the border upon the trade that legitimately belonged to England, and to Canada itself. He had looked over the items in the tariff. He knew that, in two or three particulars, the tariff would enhance the imposts levied upon British imports; these, together, were estimated by the Finance Minister to amount to about \$550,000 out of the whole \$2,700,000. There would be reductions also, leaving him \$2,150,000, as net increase. It had been said that, in respect to the woollen trade under the new tariff, there would be an additional burden laid upon English imports. The Finance Minister thought it was necessary, in dealing with the tariff, to provide that coarse woollens should be protected for the benefit of the woollen manufacturers of this country. Also, we had in Canada a very large supply of a kind of wool which we ought rather to use in this country than to be compelled to sell to the Americans, and to pay them upon it 10c. per pound duty, and an *ad valorem* duty also, which amounted to three cents more. We should encourage that manufacture here, and it was proper that, in discriminating, we should discriminate in favour of the finer kinds of cloth which were especially manufactured in England. If there had been any partiality shown in adjusting the tariff, it had been with the especial intention of giving advantage to England, and the burden would fall where it belonged. When we used those cloths, finer woollen fabrics, which could only be furnished by England, it would be found that we had not increased the tariff on them, because it would not benefit our home production, and it was

perfectly right to adopt this policy. We had heard so much about loyalty, so much that this legislation would be received unfavourably in England, that one would almost be led to suppose that the only bond between this country and England was the bond of pounds, shillings, and pence; that the only bond between the two countries was one that existed between our consumers and the manufacturing interest of England. He did not say that the English manufacturing interest was not a great one, and that it should not be considered by Colonial legislation, but he did not at all agree with his hon. friend from Lambton, in the statement he made the other night, that we were retrograding, while the other Colonies were going on hand-in-hand in accord with the English system which was inaugurated by Cobden, Bright, Mill, and gentlemen of that school. There was already a Protective tariff to a certain extent, in certain particulars, in almost every one of the Colonies of Great Britain. In the Australian Colonies, in regard to their farming interests, there was a Protective tariff. That policy had been adopted deliberately, it had been much discussed, and there had been changes of Government in those Colonies upon that very policy. He was disposed to think that there were strong reasons for the adoption of a Protective policy, ultimately, in England. He could see marked evidences that her present policy would be changed. He could not see how the iron interests in England, for instance, could otherwise sustain themselves. He ventured to say that the English ironmasters, and their workmen, who were out of employment, would not look with favour upon the fact that Belgium could send to England iron girders and other heavy kinds of work in competition with her own iron manufactures of the same class. Even locomotives of Belgian manufacture had undersold those of England for her own railways. He ventured to say that the discontented population in England would, by-and-bye, ask the reason why, and call for protection from that kind of competition, and from the philosophers who had made it possible. He believed that common sense would prevail against the theories of Mill, Cobden, Bright, Bastiat or any other

man whose nostrums had been forced upon us *ad nauseam* during the late five years. A grain of common sense was worth more than a pound of theory. He saw indications everywhere that it was coming to be considered to be the first duty of every country to take care of itself. He saw indications everywhere that it would, ere long, be recognised as an axiom that the business of a country belonged to the people who paid the taxes, who sustained the Government, who employed the labor, and who formed the basis of the wealth of the country. He could only say this: that, if we did not desire to be handed over, bound hand and foot, to the people on the other side of the line, we must acknowledge that Canada belonged to the Canadians, however much that statement might be denied by hon. gentlemen on the other side of the House. Why, where was the loyalty, where was the super-loyalty of that Grand Old Reformer who absolutely controlled that party in Ontario, when, in 1874, he constituted himself an ambassador to the United States to procure a renewal of the Reciprocity Treaty? What would have been the result of the proposition he made to the United States in 1874? He (Mr. Plumb) had made a calculation upon the bases of the revenue in 1874 as to what we would have lost if that treaty had gone into operation. Mr. Brown proposed to receive largely the manufactures of the United States, and every manufacturer in Canada rose up with the remonstrance that that treaty, if it went into operation, would absolutely crush out our infant manufactures, and leave us nothing in the world, except agriculture, upon which to sustain ourselves. Under that treaty, all our skilled labour would have gone to the United States; and, not only that, but finding, in the first place, that the United States would not accept an exchange of natural products, he enlarged the bases of his negotiations. He added Schedules B and C. Schedule B consisted of all kinds of agricultural implements; Schedule C, of manufactures of cotton, cabinet ware, boots and shoes, machinery, leather manufactures, iron of all kinds, and other items. These were to come in duty free. Taking into consideration duties previously collected on

these articles, which he agreed to receive from the United States on the free list, it would have reduced our revenue that very year \$2,300,000. And what did he provide instead of that? Nothing whatever. They were constantly asked what they would do for revenue, if they brought in this Protection tariff proposed by his hon. friend. What did Mr. Brown propose, in order to make up the deficits in the revenue, when he made this proposition in the face of the greatest depression that had ever fallen upon this country? He proposed to reduce the revenue, by one stroke, \$2,300,000, according to the imports received that year; while his friends in the Ministry here were trying, with an assiduity worthy of a better cause, to deplete the failing Treasury, and the jobbers were intruding into the very fastnesses of the House of Commons itself. Mr. Brown offered, also, to enlarge our main canals within a period which would have made it necessary largely to increase our expenditure. He agreed to build the Caughnawaga Canal, with fourteen feet of water on the mitre sills of its locks, for the accommodation of vessels which were to go to New York without transhipment; but he never secured the corresponding enlargement of the Champlain Canal, leading from Lake Champlain to the Hudson River, a canal which was not five feet in depth, and not navigable for boats of more than forty-five tons burden. Nor did he stipulate that the channel of the Hudson, between Albany and New Baltimore, should be deepened—where an immense outlay, and forty years of effort, has failed to obtain more than five feet of water at low tide,—and which would have had to be deepened to 14 feet for the passage of vessels from the St. Lawrence. He was going into a reckless expenditure of ten or twelve million dollars for the purpose of buying from the United States that which they were unwilling to sell. And, after he had made proposition after proposition, when we were to give them everything except ourselves and our nationality, they received the propositions and coolly put them aside in a pigeon-hole, saying: We don't intend to grant reciprocity just now, but we will think of it some day, and then we will have your offer before us. What was the policy of the Hon.

Mr. Brown then? Was that not striking at the connection between England and Canada? Was that not an attempt at severing the golden link, of which they heard so much? Well, he had heard the argument upon the floor of this House, and he had heard arguments in other quarters, but they did not prove to him that there was an enormously sensitive loyalty on the part of gentlemen on the other side of the House. He could not see that there was so great a contrast between the loyalty of those gentlemen and that of the gentlemen who sat to the right of the Speaker, in favour of the former. He remembered hearing, year after year, from the late Finance Minister, the late Minister of the Interior, and occasionally from the late First Minister himself, quotations from an eminent fiscal authority, a great American publicist, Mr. David A. Wells. That gentleman had been brought forward here and elsewhere, upon all occasions, as an authority for the policy which the hon. gentlemen, who then sat on the Treasury benches, wished to persuade them should be adopted by Canada. Well, Mr. Wells was an advanced Free-trader; he was one of the few gentlemen in the United States who advocated that doctrine. He was prominent at every Board of Trade meeting and every general meeting where fiscal affairs were discussed; he was, without doubt, a very intelligent, very eloquent, very able writer upon his side of the question. They might not agree with him, but they all acknowledged that he was in earnest; but this gentleman had only a forlorn hope in the United States. The people in the United States understood these questions thoroughly, and, if they found that Protection was injurious to their interests, they had the remedy in their own hands in universal suffrage. Every two years they voted for members of Congress, and, certainly, if they desired to change their trade policy, it was very easy for them to do so. His hon. friend the late First Minister made a very eloquent appeal to the workmen of Canada, at the Rink in Toronto, in the furtherance of the interests of his party—as he had a perfect right to do. He lamented the sufferings of the workmen under the Pharaohs, at the time of building the

pyramids, and he compared the sufferings of workmen, under Tory rule, as he was pleased to call it, to the poor fellows who were forced, under their Egyptian taskmasters, to make bricks without straw.

He alluded to the policy of the United States, to the ruin that it had already brought upon that country, and said they were committing financial suicide, as rapidly as possible, by adhering to it. He told them that a certain exception was made in respect to trade with Venezuela. He (Mr. Plumb) noticed that, because it was a little out of the way, and he wondered what had made him take the case of Venezuela as an illustration. The puzzle was finally solved by a pamphlet published by Mr. David A. Wells, the authority constantly quoted by the hon. gentleman and his colleagues. He (Mr. Plumb) found at the end of that pamphlet the very quotation, or something very near it, that had been made by the First Minister. He did not undertake to say the First Minister endorsed the views of Mr. Wells, but he (Mr. Mackenzie) introduced him to the people of Canada as an authority, and quoted from his writings. The pamphlet which the late First Minister quoted from, and which he must have read, contained the following paragraph, which would show what Mr. Wells intended by the policy which these gentlemen were so anxious we should adopt, and which he was so desirous to press upon the people of the United States. In a pamphlet published by Mr. Wells, entitled, "Why we trade, and how we trade," they found the following significant paragraphs, on pages 23, 24, 25, 26, and 27 :

"It is desired to annex the British North American Provinces, and make them a part of the American Union. We have, as a nation, for long years past, in our dealings with Canada, been playing the part of the wind, in the contest between the wind and the sun in the fable, to see which could make the traveller soonest take off his coat. Suppose, as a nation, we now, for a while, put aside the role of the wind, and assume the part of the sun. With the balance of advantage in any amicable contest between the two countries for industrial and commercial betterment so transcendently on the side of the richer, most populous, and most powerful nation, it must be a very low order of statesmanship on the part of the United States which could not devise and carry out a policy that, in less than a decade of years, would make the British Provinces ap-

plicable of their own accord for incorporation as States in the American Union, or would enable the United States, if it was deemed expedient, to force them to become such, by the threat, not of armed compulsion, but of simply clouding the sun.

"Thus, to illustrate, let us imagine what might be. North of Lakes Erie and Ontario, and the River St. Lawrence, east of Lake Huron, south of the forty-fifth parallel, and included mainly within the present Dominion Province of Ontario, there is as fair a country as exists on the North American continent; nearly as large in area as New York, Pennsylvania and Ohio combined, and equal, if not superior, as a whole, to these States in its agricultural capacity. It is the natural habitat on this continent of the combing-wool sheep, without a full, cheap and reliable supply of the wool of which species the great worsted manufacturing interests of the country cannot prosper, or, we should rather say, exist. It is the land where grows the finest barley, which the brewing interest of the United States must have if it ever expects to rival Great Britain in its present annual export of over eleven million of dollars' worth of malt products. It raises and grazes the finest of cattle, with qualities especially desirable to make good the deterioration of stock in other sections; and its climatic conditions, created by an almost encirclement of the great lakes, especially fit it to grow men.

"Such a country is one of the greatest gifts of Providence to the human race, better than bonanzas of silver, or rivers whose sands contain gold."

Between the late Finance Minister and Mr. Wells and the *Chicago Tribune*, a trio of enthusiastic Free-traders, a mutual admiration society existed. Mr. Wells quoted Mr. Cartwright, and Mr. Cartwright quoted Mr. Wells, and the *Chicago Tribune* quoted both, and patted them lovingly on the back. Under the paragraphs just quoted, from the pamphlet of Mr. Wells, in a foot note, he said :

"The extent to which Canada is necessarily dependent upon the United States for prosperity, is well illustrated by the following extract from the Budget speech of the Minister of Finance, the Hon. Richard Cartwright, before the Canadian House of Commons, February, 1875."

Then followed a sample of the late Finance Minister's eloquence, with which they were all tolerably familiar. And the late Finance Minister addressed a great Reform demonstration in Norfolk, held at Simcoe, on the 21st of September, 1877. Speeches, they were told, were also made there by Mr. Charlton, Mr. Mackenzie,

Mr. Mowat, Mr. Huntington and Mr. Rymal. Mr. Oliver, Mr. Irving, Mr. Thompson, of Haldimand, Col. Skinner, Mr. Clark, and Dr. Baxter were there; but as far as could be learned, those eloquent expounders of Reform principles were speechless on that occasion. The Finance Minister was reported to have said, *vide Globe*, October 16—he was speaking of the ruin of the United States, of course:

"The lessons which have been taught cannot have been wholly lost on the American people. They are setting about in real earnest to find, as David Wells puts it, the way to regain true national prosperity, on a true and stable basis. Mr. David Wells, one of the ablest and most scientific thinkers in the United States, we find, proving to his countrymen most conclusively that, had they had Free-trade with the people of Canada, it is more than probable their trade with Canada alone would have excelled their whole volume of foreign exports at present. And, proceeding to point out to them the extreme folly they had committed, and bearing also high testimony to the great natural resources we possess—a testimony which it would be well for every Canadian to bear in mind—even at the risk of tiring some of you, I cannot refrain from reading his remarks on the condition of the Province of Ontario."

The hon. gentleman then read or recited part of the foregoing extract from Mr. Wells, beginning carefully at "North of Lakes Erie and Ontario," and ending with, "Such a country is one of the greatest gifts of Providence to the human race, better than bonanzas of silver, or rivers whose sands contain gold." At Teeswater, where the late President of the Council, *vice* Cauchon promoted, uttered his swan song, the late Finance Minister also improved the occasion, and said, if the *Globe's* report of November 5th could be depended upon:

"I cannot resist the temptation of reading to you a few words written by an American economist, who was once a Protectionist, but who has been converted, and is now known as a very earnest Free-trader. You will not think any the worse of him, when I say that his name is Wells, and Mr. Wells, reading to the Province of Ontario, speaks as follows."

Then followed the same extract, with the same cunning and careful avoidance of the beginning and the end of the argument. This, then, was the high authority whose policy had been persistently recommended by the gentlemen on the other side of the House, and it came with bad grace

from them now to charge his hon. friends with doing anything that would be likely to sever the golden bond that existed between us and England. He (Mr. Plumb) thought that very extract showed what the ulterior motive of American Free-traders was. They wished to force Canada into a position which would enable them to take possession of this country. He believed that every man in the House who had studied the question was satisfied that the union which existed between Canada and England could not be severed without violence. He had never heard of England parting voluntarily with but one of her colonies, and that was one she held as a quasi-trust—the Ionian Islands. He believed that we had a right to self-government under the responsible system, and he believed that England wished to concede to us the largest liberty consistent with that system and principle. He did not believe any estrangement between England and Canada would result from this proposition of his hon. friend in the direction of bringing Canada out of the slough of despond in which she had been plunged by the incompetency of the gentlemen who preceded the present Ministry. Anything that increased our prosperity increased our ability to purchase from England. The trade followed the flag, and, therefore, the paltry addition of \$550,000 to tariff items, which might possibly fall upon English manufactures, for the benefit of Canada, could not be denounced as anything disloyal. Hon. gentlemen on the other side of the House never should have made that charge, and it never should have been reiterated in the newspapers. He (Mr. Plumb) hurled the charge back with indignation and scorn on those who had been pleased to bring it forward as a political argument. This tariff had been made for the purpose of preventing \$25,000,000 or \$26,000,000 of gold going from us to the United States yearly. Our imports from the United States were \$23,510,846 worth of dutiable, and \$27,801,823 worth of free articles, for the fiscal year 1877, and \$23,438,053 worth of dutiable, and \$25,163,686 worth of free articles for the year 1878. Nearly two-thirds of the free goods came into direct competition with our agricultural products. Goods valued at some fourteen and a



quarter millions of dollars came in each year under the 17½ per cent. list. Many of the articles we could and ought to manufacture here in Canada; nearly all of them represented skilled labour and capital profitably employed. In return, the United States took from us products valued at twenty-five millions, one half of which was farm product, and a fifth was the product of the forest. It all represented the least remunerative form of labour, and the smallest return for capital. For the privilege of paying for half of our annual imports in this costly way, we paid an average duty on the American frontier of at least twenty-five per cent., and the resulting balance of twenty-three millions or more, we must pay in hard cash. It was estimated that on the articles imported from the United States, paying 17½ per cent. and over *ad valorem*, the invoices and valuations actually reduced the duty to 10 per cent. or less; but most of the kind of products we sent across the border could not be so undervalued. The great shrinkage in values also, on the general list of manufactures, rendered it certain that, in quantity, our imports from the United States had constantly and largely increased to an extent far beyond the figures in our annual returns. Now, from Great Britain, our free imports had declined from \$15,287,217, in 1874, to \$5,291,397 in 1878, while the 17½ per cent. list had fallen from \$39,572,596, in 1874, to the startling figure of \$24,245,295 in 1878; and upon this list, except in two or three leading articles, our neighbours across the line had been steadily supplanting their trade under the policy so vehemently persisted in by the hon. gentlemen opposite. If they questioned this state of things, forsooth, the loyalty cry was raised among gentlemen, many of whom subscribed to a certain party platform in Quebec, a few years ago, having annexation as one of the planks; gentlemen who did not hesitate to place in a most responsible position in the Ministry one who had threatened to tear down the British flag from the citadel of Halifax, and who instilled into the ears of the people of Canada everywhere the insidious teachings of David A. Wells and his school, the tendency of which had been clearly shown, and was frankly and openly acknowledged by those earnest Free-

traders. He (Mr. Plumb) was not speaking in hostility to those gentlemen, or to the people of the United States generally. They were shrewd enough to know the advantages of their legislation. He had no idea that this tariff would be received as hostile. It was unworthy of our statesmen to say they were afraid that our legislation might be met with opposition by our American neighbours. There were gentlemen in the House who were too blind to see the benefits that accrued from Protection. There were others who did see it, but wilfully hoodwinked themselves.

"They know the right, and they approve it too;

They see the wrong, and yet the wrong pursue."

Hon. gentlemen, by the course they pursued last Session, sealed their death-warrants. They disregarded the plainly-expressed wishes of the people, and the result was shown on the 17th of September. It was not by false promises, as hon. gentlemen had been pleased to assert, that the present Government had succeeded at the late elections. The people had had experience of the value of the promises of hon. gentlemen opposite, and they measured them on September 17th at their true value. Hon. gentlemen need not lay the flattering unction to their souls that there was likely to be any reaction in their favour, or that the National Policy was unpopular with the masses. They need not try to believe, for a moment, that what they said about the pending ruin to the manufacturer and the labourer, and the other interests, was going to be accepted by the people. The people had declared that they would sustain this policy. The argument had been exhausted during the campaign. The issue was a direct one. The people fully understood what this policy meant. It meant that they were not only to have cheap food, but something to buy it with; not only cheap clothing, but the wherewith to procure it. The legislation here to-day was for the poor man, and not for the rich man. The idea of the Grit party, that his hon. friends were blind to their interest, and that they were legislating for privileged classes, was absurd. Hon. gentlemen opposite knew very well the policy the Government had adopted, was the policy the country



would endorse. They knew perfectly well that they had taken the downward track, not, perhaps, with deliberation; but they blindly followed a blind leader, lacking political prescience, and who never could comprehend anything beyond his own prejudiced opinion that the whole people of this country could be hoodwinked day after day by the publications in the press of his party. The agriculturists had been forced to raise nothing, by the policy of that dictator, but cereals. They were prevented from having a profitable rotation of crops. The dictator, who had sometimes been called the wrecker, and his followers, professed to have the farming interests under their especial charge. How did they foster them? By placing a tax of 72c. a bushel on malt. That killed the barley crop. On our wheat a duty of 20c. per bushel was levied on the other side of the line; no duty was put on American wheat, and we were compelled to export ours when we had no surplus. Oats were interfered with by the vast production of the Western States, and he knew a case where two vessels, from Michigan or Wisconsin, came into the harbour of Sarnia, where the late First Minister resided, and, placing a large quantity of oats on the market, lowered the price five or six cents a bushel on market day, to the great disappointment and loss of the farmers who had oats for sale there. The late Finance Minister often said that he desired that our people should return to agricultural pursuits. He vehemently denounced the gathering together of communities in cities and towns. Agriculture, he (Mr. Plumb) acknowledged, was the basis of our wealth, but everybody knew that it paid a lower return for the capital and for the manual labour employed, than any other pursuit. Every man could not, or might not, wish to be a farmer, and no country was prosperous that did not possess a diversity of interests. The Government proposed that Canada should have all the benefits which the most favoured countries enjoyed. They did not believe that the Americans, as the *Globe* asserted, monopolised all the ingenuity, and perseverance, and inventive genius on this continent, but that Canada could successfully challenge them to friendly competition in all these respects. It was the duty of every

Government to endeavour to give diversified employment to its people, to keep its intelligent, active young men at home by giving them plenty of work, and he believed that the policy that his hon. friend proposed would have this effect. Mr. Steinway, the manufacturer of pianos, on being told that this tariff would shut out his pianos from Canada, said he would set 400 men at work here, and thus try to keep possession of our market in a way that we desired. The people who wanted our market must come here and manufacture for it, pay their portion of our taxes, support our Government, employ our labour, and buy our farmers' produce. It mattered very little to the farmers whether there was a duty more or less on the articles which they consumed, provided they could have a home market. If manufacturing centres were built up in their midst, the rise in the value of their lands and their crops would more than compensate for any trifling tax that might be put on them, and, after all, the only alternative to this tariff was to resort to direct taxation, as the late Finance Minister shadowed forth when he said that if there was any convenient way of levying an income tax after the manner of England, he would feel inclined to resort to it. Any man would have been recreant, as a member of the Government, representing the Liberal Conservative party, if, in making that scheme of taxation, he had not special regard to the struggling industries of Canada. The hon. gentlemen opposite had made their tomb. They stated there might be a reaction in their favour, but they caught at a very little gleam of hope. He could tell them, in the words of the hackneyed quotation:

"Facilis decensus Avernus,  
Sed revocare gradum, superasque evadere ad  
auras,  
Hic labor, hoc opus est."

Which he would venture to translate very freely:

"The engine may rush us down grade to Avernus;  
The steam may give out when it tries to return us."

And he prayed, in the best interests of Canada, that it might be many a long year before the hon. gentlemen opposite got back to the upper world from the local Avernus into which they had descended.

